

BAY AREA WATER USERS ASSOCIATION

99-84

March 6, 1999

CALFED Bay-Delta Program
1416 Ninth Street, Suite 1155
Sacramento, CA 95814
Attention: Steve Ritchie

Dear Mr. Ritchie:

The Bay Area Water Users Association offers these comments on the urban water use efficiency certification proposals. Both current proposals demonstrate considerable thought and considerable effort. The few differences serve to highlight the many areas of agreement. However, the differences are significant. Some of the comments below support one particular approach; other comments suggest modifications to either approach, while others are offered to stimulate further deliberation. References are made to the titled: "Stakeholder Proposals for Certification with the Urban MOU As Part of The CALFED Water Use Efficiency Program," dated January 7, 1999.

General Comment: Sections related to Wholesale Water Suppliers include phrases such as, "... the wholesaler would agree to fund any cost-effective ..." We respectfully submit that with few exceptions, all of a wholesale utility's revenues derive from the entities and individuals to which it provides service, from assets purchased with revenue from those entities, or from indebtedness underwritten by these revenues. We believe that the strength of the CALFED effort to date stems in part from clarity of communication and exact expression of concepts. To that end, we suggest that phrases such as "wholesalers would agree to fund any cost-effective water conservation program or new investment proposed by a sub-agency ..." be changed to better reflect the origin of funds.

Wholesale Water Supplier Compliance: The CUWCC proposal requires first tier wholesalers to comply with at least one of five alternatives measures, in addition to satisfying the existing wholesale BMP requirements. The five alternatives shown should be provided as guidelines, and leave the form of participation to agreement between the wholesaler and its customers. Some wholesale utilities also serve retail customers. The sub-agencies that purchase water on a wholesale basis should be protected from imposition of sanctions in the event that the wholesaler is out of compliance within its own retail service area. The CALFED plan should ensure that compliant sub-agencies have access to CALFED benefits, through the wholesaler, even if its retail operations are not in compliance.

Certification appeal process: The certification process timelines appear well considered and protect utilities from sudden and unanticipated penalties. Appeals should be available only in the event that certification is denied, and a water utility believes that information has been misinterpreted or ignored. Appeals by other parties would seem to have no merit, particularly because those entities will have been represented in the actual certification process.

Sincerely,

Arthur R. Jensen
General Manager

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